



OBAYASHI

HC 65 Box 119
Bluebell, Utah 84007
Phone (435) 454-4644
Fax (435) 454-4648

LETTER OF TRANSMITTAL

DATE 03-14-06	JOB NO. WCO 10
WCO MEMO NO. WCO10-894	
ATTENTION Paul Baker/Susan M. White	
RE: Big Sand Wash Reservoir Enlargement Project	
Contract No. C-2003-02, Section 203(a)	

To: State of Utah

Department of Natural Resources
Division of Oil, Gas, and Mining
1594 West North Temple, Suite 1210
Box 145801
Salt Lake City, Utah 84114-5801

WE ARE SENDING

☒ Attached

☐ Via Fax

☐ Via Fax (hard copy to follow)

☐ Shop Drawings

☐ Prints

☐ Plans

☐ Samples

☐ Specifications

☐ Copy of Letter

☐ Change Order

☐ Electronic Data

☐ Proposal

☐

COPIES	DATE	NO.	DESCRIPTION
1	03-14-06	1	Form MR-Site/Bond Release

THESE ARE TRANSMITTED as checked below:

☒ For approval

☐ Approved as submitted

☐ Resubmit _____ copies for approval

☐ For your use

☐ Approved as noted

☐ Submit _____ copies for distribution

☒ As requested

☐ Returned for corrections

☐ Return _____ corrected prints

☐ For review and comment

☐ Prints returned

☐ For bids due _____

☐ Resubmitted for approval

☐ Resubmitted as requested

☐ Other _____

Remarks:

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MAR 16 2006

DIV. OF OIL, GAS & MINING

AN EQUAL OPPORTUNITY EMPLOYER

Copy To: WCO

Springville File

Signed:

Clark D. Prothero

Clark D. Prothero, P.E., Project Manager

0002

Application for Site and/or Bond Release

Operator/Permittee: <u>W.W. LLOYD / ODAYASHI, JV</u>	
Mine/Project Name: <u>LAVON GILES PIT</u>	
File Number: <u>5/013/009</u>	
Check One: <input type="checkbox"/> Large Mine <input checked="" type="checkbox"/> Small Mine <input type="checkbox"/> Exploration	
Check one: <input type="checkbox"/> Partial Release of a <u>portion</u> of the mine site: Acres to be released: _____ Acres Remaining: _____ Specify Area: _____	
<input type="checkbox"/> Full Release of a <u>portion</u> of the mine site: Acres to be released: _____ Specify Area: _____	
<input type="checkbox"/> Partial Release of entire mine site: Total Acres to be released: _____ (Backfilling and grading are completed)	
<input checked="" type="checkbox"/> Full Release of entire mine site: Total Acres to be released: <u>5 Acres</u> (Vegetation established and survived three growing seasons)	
Amount of Existing Surety: <u>\$10,000</u>	
Amount of Surety requested for release: <u>\$10,000</u>	
Reason for Bond Release Request: <u>SITE IS NO LONGER REQUIRED FOR USE. SITE WAS NEVER MINED.</u>	
Complete this section if the money released from this application is to be used as surety for future disturbance.	
Release bond on: _____ Acres (specify area) _____	
Apply Bond to: _____ Acres (specify area) _____	
Check Applicable Boxes	DESCRIPTION of RECLAMATION ACTIVITIES COMPLETED (Describe any variance(s) that have been granted, date activity completed)
<input type="checkbox"/> Wells Plugged / shafts sealed	
<input type="checkbox"/> Disposal of debris & other materials incident to mining	RECEIVED MAR 16 2006
<input checked="" type="checkbox"/> Drainages, reestablished & stable	DIV. OF OIL, GAS & MINING

	Structures demolished / removed	
X	Regrading Completed – Slopes, pits, highwalls in stable condition	
	Meets Postmining Land Use (Indicate Landuse)	
	Roads Reclaimed	
X	Dams, Impoundments, Ditches, Pits reclaimed	
X	Topsoil respread – amendments added	
X	Erosion Controlled	
X	Vegetation meets 70% of premining cover and has survived three years for full bond release – or has survived one year growing season to maintain small mine status.	<i>THE SITE WAS GRANTED VARIANCE FOR GROWTH. SITE WAS RESEED IN FEBRUARY 2006.</i>

I hereby certify that I am a responsible official of the applicant and that the information contained in this application is true and correct to the best of my information and belief in all respects with the laws of Utah in reference to commitments and obligations, herein.

Clark D. Prothro
Print Name

Clark D. Prothro Project Manager
Sign Name, Position

03/14/06
Date

Return to:

State of Utah
Department of Natural Resources
Division of Oil, Gas and Mining
1594 West North Temple, Suite 1210
Box 145801
Salt Lake City, Utah 84114-5801
Phone: (801) 538-5291 Fax: (801) 359-3940

FOR DOGM USE ONLY:	
File #:	M/ /
Approved:	
Bond Adjustment: from (\$)	
to \$	

O:\FORMS\Bonding Forms\Bond-Release\site-bond-release-applic.doc

RECEIVED
MAR 16 2006

DIV. OF OIL, GAS & MINING

From: "Watson,Kaleida" <KWATSON2@stpaultravelers.com>
To: "Carroll,Sylvia A" <SACARROL@stpaultravelers.com>, <bethericksen@utah.gov>
Date: 7/26/2005 8:10:24 AM
Subject: RE: ENCO Materials , Inc. / Bond # 104329702

Susan,

I have checked this bond number and upon my search I find a Reclamation bond for W.W. Clyde, Obayashi A Joi
If I search for ENCO Materials I find the same bond number however it is a crime bond that is in DNA. From the information trail in this e-mail, I believe they are interested in the Reclamation bond, of which you are listed as underwriter 1.

If I can be of further assistance, please let me know.

Sincerely,

Kaleida Watson
Account Underwriter
Phone: 615-372-7738
Fax: 615-372-7787
kwatson2@spt.com



http://start.here.travp.net/sta-home/company_information/brand_identity/logos/stacked/stack.gif

-----Original Message-----

From: Carroll,Sylvia A
Sent: Monday, July 25, 2005 2:20 PM
To: 'Beth Ericksen (bethericksen@utah.gov)'
Cc: Watson,Kaleida; Wagers,Susan
Subject: ENCO Materials , Inc. / Bond # 104329702

Dear Beth:

In searching our computer records it appears the captioned bond was written out of our Nashville, TN office. The underwriter assigned to this file is listed as:

St. Paul Travelers Companies, Inc.
9020 Overlook Boulevard
Brentwood, TN 37027
Attn: Kaleida Watson
Phone: (615) 372-7738
Fax: (615) 372-7787
Toll Free: 800-342-4064

Kaleida Watson is in our Crime Department.

If I can be of further assistance, please let me know.

Thank you,

> 720-200-8398 (fax)

>
>
>
>
>
>

CC: "Watson,Kaleida" <KWATSON2@stpaultravelers.com>, "Wagers,Susan"
<SWAGERS@stpaultravelers.com>



OBUYASHI

W.W. Clyde/Obayashi, JV

HC 65 Box 119
Bluebell, Utah 84007
435-454-4644 / fax 435-454-4648

To: State of Utah
Department of Natural Resources
Division of Oil, Gas, and Mining
1594 West North Temple, Suite 1210
Box 145801
Salt Lake City, Utah 84114-5801

RECEIVED

APR 03 2005

LETTER OF TRANSMITTAL

DATE	05-06-05	JOB NO.	WCO 10
WWC MEMO NO.		WCO 10- 678	
ATTENTION		Paul Baker	
RE: Big Sand Wash Reservoir Enlargement			
Contract No. C-2003-02, Section 203(a)			

WE ARE SENDING ☒ Attached ☐ Via Fax ☐ Via Fax (hard copy to follow)

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☐ Copy of Letter ☐ Change Order ☐ Electronic Data ☐ Proposal ☐

COPIES	DATE	NO.	DESCRIPTION
1	05-06-05	1	Reclamation Contract for Giles Pit with Surety Bond and Map

THESE ARE TRANSMITTED as checked below:

<input type="checkbox"/> For approval	<input type="checkbox"/> Approved as submitted	<input type="checkbox"/> Resubmit ____ copies for approval
<input type="checkbox"/> For your use	<input type="checkbox"/> Approved as noted	<input type="checkbox"/> Submit ____ copies for distribution
<input type="checkbox"/> As requested	<input type="checkbox"/> Returned for corrections	<input type="checkbox"/> Return ____ corrected prints
<input type="checkbox"/> For review and comment	<input type="checkbox"/> Prints returned	<input type="checkbox"/> For bids due ____
<input type="checkbox"/> Resubmitted for approval	<input type="checkbox"/> Resubmitted as requested	<input type="checkbox"/> Other ____

Remarks: Paul,

Please find attached the remaining items needed to get our permit for the Giles pit, S/013/009.

Call or email if you need any additional information or corrections made. Thank You.

AN EQUAL OPPORTUNITY EMPLOYER

Copy: Springville Office
WCO Office Copy

Signed: Clark D. Prothero
Clark D. Prothero, P.E. Project Manager



State of Utah

Department of Natural Resources

MICHAEL R. STYLER
Executive Director

Division of Oil, Gas & Mining

MARY ANN WRIGHT
Acting Division Director

JON M. HUNTSMAN, JR.
Governor

GARY R. HERBERT
Lieutenant Governor

March 3, 2005

Mr. Clark Prothero
W. W. Clyde Obayashi
1275 North Main
P. O. Box 350
Springville, Utah 84663

Sent by electronic mail March 3, 2005, with hard copy to follow

Subject: Bonding Requirements, W. W. Clyde, Levon Giles Site, S/013/009, Duchesne County, Utah

Dear Mr. Prothero:

I have reviewed the bond form you submitted with your Notice of Intention to Commence Small Mining Operations. This was received by the Division February 25, 2005.

We consider the bond amount to be adequate, but certain language needs to be included. We suggest you submit a rider that includes the following verbiage:

"A description of the disturbed land is attached as "Attachment A" to the Reclamation Contract with the State of Utah, Division of Oil, Gas and Mining, of which this surety document is an integral part.

"The condition of this obligation is that if the Division of Oil, Gas and Mining (Division) determines that Principal has satisfactorily reclaimed the disturbed lands in accordance with the accepted Notice of Intention to Commence Small Mining Operations and has faithfully performed all requirements of the Mined Land Reclamation Act, and complied with the Rules and Regulations adopted in accordance therewith, then this obligation shall be void; otherwise it shall remain in full force and effect.

"The Division may require that the amount of this Surety Bond be increased, with the written approval of the Surety. As reclamation is performed, the Division may authorize reductions in the amount of the bond.

"This bond may be canceled by Surety after ninety (90) days following receipt by the Division and Principal of written notice of such cancellation. Surety's liability shall then, at the expiration of said ninety (90) days, cease and terminate except that Surety will remain fully liable for all reclamation obligations of the Principal

Mr. Clark Prothero, W. W. Clyde

Page 2 of 2

S/013/009

March 3, 2005

incurred prior to the date of termination.

"Principal and Surety and their successors and assigns agree to guarantee said obligation and to indemnify, defend, and hold harmless the Division from any and all expenses (including attorney fees) which the Division may sustain in the collection of sums due hereunder.

"Surety will give prompt notice to Principal and to the Division of the filing of any petition or the commencement of any proceeding relating to the bankruptcy, insolvency, reorganization, or adjustment of the debts of Surety, or alleging any violation or regulatory requirements which could result in suspension or revocation of the Surety's license to do business."

If you have concerns about any of this language, please contact me as soon as possible.

As we discussed yesterday, it may still be necessary to include the permittee's name (W. W. Clyde) as a principal on the surety. I have received a copy of the surety bond application and will review it with my supervisor.

In addition, before we issue final approval, we will need to have a reclamation contract with W. W. Clyde. With this letter, I am including a copy of the blank contract form. I suggest that you fill it out and send it back to us in draft form before it is signed. We can then review it and let you know if we see any problems before you've gone through the trouble to have it signed and notarized.

Thank you for your cooperation. Please let me know if you have any questions about this letter or the permitting process. I can be reached by telephone at 801-538-5261 or by electronic mail at paulbaker@utah.gov.

Sincerely,



Paul B. Baker
Reclamation Biologist
Minerals Regulatory Program

PBB:jb

cc: Mike Hyde, Duchesne County

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